

BROWNFIELD REDEVELOPMENT PROJECTS AND AUTHORITIES PRESENTATION

June 7, 2018
U.P. Education Summit

TODAY'S PRESENTATION

MICHIGAN
BROWNFIELD
REDEVELOPMENT
PROGRAM

- What is a brownfield/eligible property?
- What are eligible activities?
- Tax increment financing (TIF)
- Abilities of a Brownfield Redevelopment Authorities (BRA)
- Other DEQ incentives and funding
- Other MEDC incentives and funding
- Other incentives and funding
- Case studies
- Questions

WHAT IS A BROWNFIELD?

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A PIECE OF PROPERTY THAT IS KNOWN
TO BE CONTAMINATED

OR SUSPECTED TO BE CONTAMINATED
BASED ON PRIOR USE



WHAT IS A BROWNFIELD/ELIGIBLE PROPERTY?

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- A Facility, Site or Property
- Blighted
- Functionally Obsolete
- A Historic Resource
- Adjacent and Contiguous
- Land Bank Owned



ENVIRONMENTAL ELIGIBLE ACTIVITIES

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REDEVELOPMENT
PROGRAM

- Department Specific Activities:
 - Site Assessments
 - BEAs
 - Due Care Planning
 - Pre-Demo/Hazardous Materials, Asbestos, Mold, & Lead Surveys
 - Due Care
 - Response Activities
 - Including demolition and abatement
 - Environmental Insurance
- Interest



Cardinal Health
Detroit

NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES

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- Building and Site Demolition (statewide)
- Lead, Asbestos, & Mold abatement (statewide)
- Site Preparation (Qualified Local Governmental Unit [QLUG])
- Infrastructure Improvements (QLUG)
- Interest (statewide)



WHAT IS BROWNFIELD TIF?

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PROGRAM

- A financing tool
- Used by local governments
- To help finance qualifying costs for a new development or redevelopment (eligible activities)
- Uses the incremental increase in taxes



Central School
Iron River



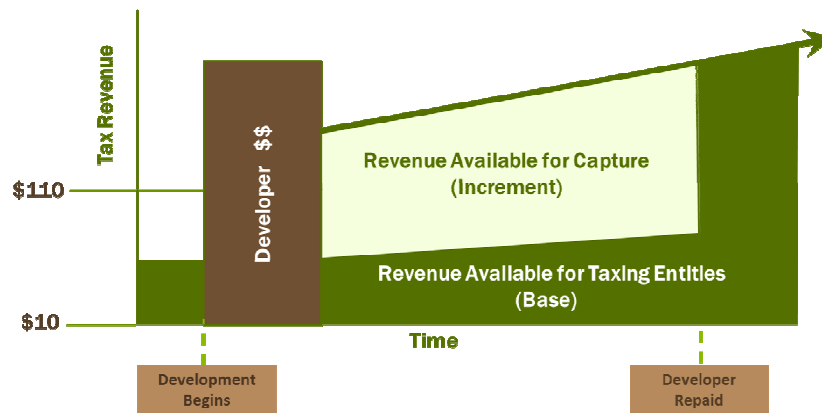
WHAT IS BROWNFIELD TIF?

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WHAT IS BROWNFIELD TIF?

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WHAT IS BROWNFIELD TIF?

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Eligible brownfield activities in Nestledown Bed and Breakfast project scope

- Demolition : \$1
- Environmental assessment: \$1
- Lead and asbestos abatement: \$1
- Due care: \$1

Project site before



Finished project



Project over time



2014

2015

2020

(Time in years)

ABILITIES OF A BRA

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PROGRAM

- Approve brownfield plans and TIF reimbursement requests
- Authorize Tax Increment Revenue (TIR) capture
- Set duration and maximum amount that can be captured
- Apply for grants and loans
- And...



Citizens Bank
Traverse City

ABILITIES OF A BRA

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- Establish a Local Brownfield Revolving Fund (LBRF):
 - Collect local and the equivalent of state DEQ TIF
 - Fund eligible activities on eligible property



One Kennedy Square
Detroit

OTHER DEQ INCENTIVES & FUNDING

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- Grants and Loan
 - Eligibility - Annual Limit
 - Loan Terms - Timing
- Refined Petroleum Fund (RPF)
- Brownfield Redevelopment Assessments



Cooley Law School Stadium
Lansing

OTHER MEDC INCENTIVES & FUNDING

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- Community Revitalization Program (CRP)
- Business Development Program (BDP)
- Community Development Block Grant (CDBG)
- Public Spaces, Community Places



SkyVue
Lansing



OTHER INCENTIVES & FUNDING

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- EPA
- Tax Abatements
 - Industrial Facilities Tax (IFT) Exemption
 - Obsolete Property Rehabilitation Act (OPRA)
 - Commercial Rehabilitation Act
- Historic Tax Credits

TBA Credit Union
Traverse City



CASE STUDY – CITY OF LANSING

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<https://www.youtube.com/watch?v=cCrZkDTXGT4>

CASE STUDY – CITY OF GIBRALTAR

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<https://www.youtube.com/watch?v=7F74yekfpAo&feature=youtu.be>

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QUESTIONS?

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